



NEWS RELEASE

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Iowa Finance Authority Bond Deal to Reap Savings of \$33 Million for State Revolving Fund

Des Moines – The Iowa Finance Authority recently executed a contract for a \$321.53 million bond deal that will generate a savings of \$33 million for the State Revolving Fund (SRF). These savings will ultimately benefit Iowa communities and municipalities who have used or will use the SRF to finance the construction or upgrades to drinking water or wastewater infrastructure.

The SRF has provided low-cost financing to more than 500 Iowa communities and municipalities for water quality projects through a total of more than \$2.4 billion in financing since the program's inception. The SRF is jointly administered by the Iowa Finance Authority and the Iowa Department of Natural Resources.

"This recent bond deal is an excellent example of the substantial savings that come from sound financial management. It will allow interest rates to remain low for Iowa communities needing to upgrade or construct their water infrastructure," said Iowa Finance Authority Executive Director Dave Jamison. "The savings will benefit Iowa municipalities, communities and the individual rate payers for many years to come. I'm very proud of Iowa Finance Authority's staff and partners responsible for this successful transaction."

"The State Revolving Fund continues to be an affordable solution for Iowa communities," said Iowa Department of Natural Resources Director Chuck Gipp. "I encourage all communities in need of water quality improvements to utilize the program."

The bonds are the Iowa Finance Authority's first bonds designated as "Green Bonds," as proceeds will be used to finance projects that adhere to the federal Clean Water Act and Safe Drinking Water Act.

The bonds were rated AAA by the three major rating agencies, Moody's, Standard & Poor's and Fitch. A portion of the bonds will be used to refund outstanding bonds and a portion will be used to reimburse the State Revolving Fund for disbursements to existing loans. The true interest cost for the refunding was 1.62% and the true interest cost for the entire bond issue was 2.26%.

More information on the SRF is available at IowaSRF.com.

The Iowa Legislature created the Iowa Finance Authority (IFA) in 1975. IFA administers the State Revolving Fund (SRF) in partnership with the Iowa Department of Natural Resources. The SRF assists communities with the costs of upgrading or constructing local drinking water and wastewater infrastructure projects.

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